

**Greg Ibach's Speech - USDA's Farm Bill Listening Session**  
**September 15, 2005**

Thank you, Secretary Johanns, for providing this opportunity for our farmers, ranchers and others to help shape policy that will influence the future of rural Nebraska.

Given the high prices of inputs, some are questioning what that future may hold. As I left to come here this morning, I checked prices at our local co-op. Diesel was listed at \$2.73. It is difficult to even have a price quote on Fertilizer for next season's corn crop. The price for corn at Overton was \$1.57 a bushel yesterday.

Our nation's farmers pride themselves on being among the most efficient producers in the world. But even the most efficient of us will have difficulty showing a profit considering these factors. Development of a new Farm Bill, with these conditions as the backdrop will be a challenge. But it also calls to our attention to the need for change.

As a producer, and as someone who has had the opportunity to work on agriculture policy, I believe 2007 Farm Bill debate must focus on our most pressing issues. We must review our current programs to understand their effects, intended or unintended.

The work of the World Trade Organization will continue to influence our farm policy direction as we must trade in a competitive global marketplace.

As I visit with farmers and ranchers they indicate a desire and willingness to think outside the box in order to make effective changes.

Our payment structure traditionally has focused on price and specific commodities. Many producers are discussing ideas that take steps beyond this traditional farm program structure. The crop insurance program provides a good starting point.

The Risk Management Agency has made some effort toward creating programs that assure a level of gross farm revenue, rather than insuring only yields. Some industry groups have talked about the potential of whole farm revenue insurance. Perhaps it is time to give these concepts broader discussion.

We also need to debate restructuring programs to make non-program crop production a viable option. While the past two farm bills have provided producers this flexibility, the direct tie between payments and specific commodities indirectly discourages the production of non-traditional crops.

In Nebraska, livestock production provides our grain farmers an important, local market for their commodity crops. It is imperative that the 2007 Farm Bill help livestock producers cope with the increasing regulatory burdens facing their sector. The 2002 Farm Bill made some strides in this area, but more work needs to be done.

Governor Heineman recently started a series of state-level Farm Bill listening sessions. The first session was held during the State Fair, and it provided the Governor and me with some good information as a starting point for state discussions. We look forward to hearing more from Nebraska producers during four more sessions.

Again, thank you for returning to Nebraska for this important event.